were syndicated by the National Equity Fund, an affiliate of Local Initiatives Support Corporation.

The Texas Mezzanine Fund is a statewide community development financial institution that provides financing for businesses located in distressed areas, minority-owned businesses, and small businesses that create jobs for low and moderate-income people.

Utah Microenterprise Loan Fund is a nonprofit, multibank community development financial institution which provides financing and management support to entrepreneurs in start-up and existing firms that do not have access to traditional funding sources—in particular, those who are socially and economically disadvantaged.

Depot Square Revitalization (Barre, Vermont) used Historic Rehabilitation Tax Credits to renovate a commercial facility on the historic town square in Barre, Vermont. This investment was part of a city-driven initiative to rejuvenate its downtown area.

Madam Speaker, I yield back the balance of my time.

Mr. MCHENRY. Madam Speaker, I urge my colleagues to support this important piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 6062.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FINANCIAL SERVICES REGULATORY RELIEF AMENDMENTS ACT OF 2006

Mr. MCHENRY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 6072) to amend the Federal Deposit Insurance Act to provide further regulatory relief for depository institutions and clarify certain provisions of law applicable to such institutions, and for other purposes.

The Clerk read as follows

H.R. 6072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Financial Services Regulatory Relief Amendments Act of 2006'' .

SEC. 2. AMENDMENTS RELATING TO NONFEDERALLY INSURED CREDIT UNIONS.

(a) IN GENERAL.—Subsection (a) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t(a)) is amended by adding at the end the following new paragraph:

''(3) ENFORCEMENT BY APPROPRIATE STATE SUPERVISOR.—Any appropriate State supervisor of a private deposit insurer, and any appropriate State supervisor of a depository institution which receives deposits that are insured by a private deposit insurer, may examine and enforce compliance with this subsection under the applicable regulatory authority of such supervisor.''.

(b) AMENDMENT RELATING TO DISCLOSURES REQUIRED, PERIODIC STATEMENTS AND ACCOUNT RECORDS.—Section 43(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(b)(1)) is amended by striking ''or similar instrument evidencing a deposit'' and inserting ''or share certificate''.

(c) AMENDMENTS RELATING TO DISCLOSURES REQUIRED, ADVERTISING, PREMISES.—Section 43(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(b)(2)) is amended to read as follows:

''(2) ADVERTISING; PREMISES.—

''(A) IN GENERAL.—Include clearly and conspicuously in all advertising, except as provided in subparagraph (B); and at each station or window where deposits are normally received, its principal place of business and all its branches where it accepts deposits or opens accounts (excluding automated teller machines or point of sale terminals), and on its main Internet page, a notice that the institution is not federally insured.

''(B) EXCEPTIONS.—The following need not include a notice that the institution is not federally insured:

''(i) Statements or reports of financial condition of the depository institution that are required to be published or posted by State or Federal law or regulation.

''(ii) Any sign, document, or other item that contains the name of the depository institution, its logo, or its contact information, but only if the sign, document, or item does not include any information about the institution's products or services or information otherwise promoting the institution.

''(iii) Small utilitarian items that do not mention deposit products or insurance if inclusion of the notice would be impractical.''.

(d) AMENDMENTS RELATING TO ACKNOWLEDGMENT OF DISCLOSURE.—Section 43(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(b)(3)) is amended to read as follows:

''(3) ACKNOWLEDGMENT OF DISCLOSURE.—

''(A) NEW DEPOSITORS OBTAINED OTHER THAN THROUGH A CONVERSION OR MERGER.—With respect to any depositor who was not a depositor at the depository institution before the effective date of the Financial Services Regulatory Relief Amendments Act of 2006, and who is not a depositor as described in subparagraph (B), receive any deposit for the account of such depositor only if the depositor has signed a written acknowledgment that—

''(i) the institution is not federally insured; and

''(ii) if the institution fails, the Federal Government does not guarantee that the depositor will get back the depositor's money.

''(B) NEW DEPOSITORS OBTAINED THROUGH A CONVERSION OR MERGER.—With respect to a depositor at a federally insured depository institution that converts to, or merges into, a depository institution lacking Federal insurance after the effective date of the Financial Services Regulatory Relief Amendments Act of 2006, receive any deposit for the account of such depositor only if—

''(i) the depositor has signed a written acknowledgment described in subparagraph (A); or

''(ii) the institution makes an attempt, as described in subparagraph (D) and sent by mail no later than 45 days after the effective date of the conversion or merger, to obtain the acknowledgment.

''(C) CURRENT DEPOSITORS.—Receive any deposit after the effective date of the Financial Services Regulatory Relief Amendments Act of 2006 for the account of any depositor who was a depositor on that date only if—

''(i) the depositor has signed a written acknowledgment described in subparagraph (A); or

''(ii) the institution makes an attempt, as described in subparagraph (D) and sent by mail no later than 45 days after the effective date of the Financial Services Regulatory Relief Amendments Act of 2006, to obtain the acknowledgment.

''(D) ALTERNATIVE PROVISION OF NOTICE TO CURRENT DEPOSITORS AND NEW DEPOSITORS OBTAINED THROUGH A CONVERSION OR MERGER.—

''(i) IN GENERAL.—Transmit to each depositor who has not signed a written acknowledgment described in subparagraph (A)—

''(I) a conspicuous card containing the information described in clauses (i) and (ii) of subparagraph (A), and a line for the signature of the depositor; and

''(II) accompanying materials requesting the depositor to sign the card, and return the signed card to the institution.''.

(e) REPEAL OF PROVISION PROHIBITING NONDEPOSITORY INSTITUTIONS FROM ACCEPTING DEPOSITS.—Section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t) is amended—

(1) by striking subsection (e); and

(2) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(f) REPEAL OF PROVISION CONCERNING NONDEPOSITORY INSTITUTIONS MASQUERADING AS DEPOSITORY INSTITUTIONS AND CLARIFICATION OF DEPOSITORY INSTITUTIONS COVERED BY THE STATUTE.—Subsection (e)(2) (as so redesignated by subsection (e) of this section) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t) is amended to read as follows:

''(2) DEPOSITORY INSTITUTION.—The term 'depository institution'—

''(A) includes any entity described in section 19(b)(1)(A)(iv) of the Federal Reserve Act; and

''(B) does not include any national bank, State member bank, or Federal branch.''.

(g) REPEAL OF FTC AUTHORITY TO ENFORCE INDEPENDENT AUDIT REQUIREMENT; CONCURRENT STATE ENFORCEMENT.—Subsection (f) (as so redesignated by subsection (e) of this section) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t) is amended to read as follows:

''(f) ENFORCEMENT.—

''(1) LIMITED FTC ENFORCEMENT AUTHORITY.—Compliance with the requirements of subsections (b) and (c), and any regulation prescribed or order issued under any such subsection, shall be enforced under the Federal Trade Commission Act by the Federal Trade Commission.

''(2) BROAD STATE ENFORCEMENT AUTHORITY.—

''(A) IN GENERAL.—Subject to subparagraph (C), an appropriate State supervisor of a depository institution lacking Federal deposit insurance may examine and enforce compliance with the requirements of this section, and any regulation prescribed under this section.

''(B) STATE POWERS.—For purposes of bringing any action to enforce compliance with this section, no provision of this section shall be construed as preventing an appropriate State supervisor of a depository institution lacking Federal deposit insurance from exercising any powers conferred on such official by the laws of such State.

''(C) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION PENDING.—If the Federal Trade Commission has instituted an enforcement action for a violation of this section, no appropriate State supervisor may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission for any violation of this section that is alleged in that complaint.''.

SEC. 3. CLARIFICATION OF SCOPE OF APPLICABLE RATE PROVISION.

Section 44(f) of the Federal Deposit Insurance Act (12 U.S.C. 1831u(f)) is amended by adding at the end the following new paragraphs:

''(3) OTHER LENDERS.—In the case of any other lender doing business in the State described in paragraph (1), the maximum interest rate or amount of interest, discount

points, finance charges, or other similar charges that may be charged, taken, received, or reserved from time to time in any loan, discount, or credit sale made, or upon any note, bill of exchange, financing transaction, or other evidence of debt issued to or acquired by any other lender shall be equal to not more than the greater of the rates described in subparagraph (A) or (B) of paragraph (1).

''(4) OTHER LENDER DEFINED.—For purposes of paragraph (3), the term 'other lender' means any person engaged in the business of selling or financing the sale of personal property (and any services incidental to the sale of personal property) in such State, except that, with regard to any person or entity described in such paragraph, such term does not include—

''(A) an insured depository institution; or

''(B) any person or entity engaged in the business of providing a short-term cash advance to any consumer in exchange for—

''(i) a consumer's personal check or share draft, in the amount of the advance plus a fee, where presentment or negotiation of such check or share draft is deferred by agreement of the parties until a designated future date; or

''(ii) a consumer authorization to debit the consumer's transaction account, in the amount of the advance plus a fee, where such account will be debited on or after a designated future date.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MCHENRY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 6072, the Financial Services Regulatory Relief Amendments Act of 2006, is similar to the previous legislation passed here in the House by a voice vote.

I want to start by commending Chairman OXLEY and Mr. ROSS, a former member of the Financial Services Committee, for introducing this legislation.

Like our previous legislation we considered a few moments ago here on the House floor, this is one of two provisions from H.R. 3505, the Financial Services Regulatory Relief Act of 2005, which passed this House last March by a 415–2 vote. This, too, makes minor changes to the underlying legislation that we passed previously, I should say.

H.R. 6072 would make minor changes to section 43 of the Federal Deposit Insurance Act. In 1991, Congress directed the Federal Trade Commission to regulate private deposit insurance for credit unions. Federal law allows State-chartered credit unions to have private insurance, if the State legislature has sanctioned the use of private insurance. Eight States currently allow private insurance for credit unions, including the chairman of the Financial Services Committee, his home State of Ohio. For several years, the Appropriations Committee has barred the FTC from enforcing this law. That has changed now, and the FTC is moving forward with regulations. The agency has requested, however, that we make certain changes to the statute to make their enforcement more efficient. Credit unions support this as well because it would end years of uncertainty and lack of guidance from the Federal Government.

I could go on in further description of the bill, but at this time I would be happy to hear from the ranking member of the Financial Services Committee.

Mr. Speaker, I retain the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from North Carolina has explained one of the provisions. There is another provision, and it deals with the preemption of a provision in the article of the Constitution.

Mr. Speaker, if we were talking about a provision that was statutory in the State of Arkansas or elsewhere, I would not be supportive of preemption. I do not think we should do what legislatures can do, but things have found their way into State Constitutions which it can be difficult to deal with it, and it does seem to me that this particular preemption that I understand is fairly widely supported in Arkansas, which would modify but not completely repeal restrictions on interest that can be charged, is a reasonable one. I think it would be allowed for reasonable transactions.

It would not, and is so worded, is not to allow things that are now abusive like payday loans, and this will now go to the other body and the Senators from Arkansas who decided this.

But it does seem to me that responding to this request from our colleagues to deal with something that is inappropriately, in my judgment, wedged in a Constitution because it is something that should be a matter of legislative policy, not constitutional, that it is okay.

Let me say this: if after we were to do this, if the people of that State or any other State wanted to reassert a certain limitation by legislation, I would agree that would be their right. So I do agree that we should not deal with this constitutional problem, but if they were to decide they wanted to do it legislatively, I would then be prepared to modify this.

□ 2000

Mr. Speaker, I yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, before I close, I want to thank the FTC and the work of the Financial Services Committee on these provisions within this legislation. I urge my colleagues to support this bill, H.R. 6072

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BURGESS). The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 6072.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

THIRD HIGHER EDUCATION EXTENSION ACT OF 2006

Mr. KELLER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6138) to temporarily extend the programs under the Higher Education Act of 1965, and for other purposes, as amended.

The Clerk read as follows

H.R. 6138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Third Higher Education Extension Act of 2006''.

SEC. 2. EXTENSION OF PROGRAMS.

Section 2(a) of the Higher Education Extension Act of 2005 (P.L. 109–81; 20 U.S.C. 1001 note) is amended by striking ''September 30, 2006'' and inserting ''June 30, 2007''.

SEC. 3. ELIGIBLE LENDER TRUSTEE RELATIONSHIPS WITH ELIGIBLE INSTITUTIONS.

(a) AMENDMENT.—Section 435(d) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)) is amended by adding at the end the following new paragraph:

''(7) ELIGIBLE LENDER TRUSTEES.—Notwithstanding any other provision of this subsection, an eligible lender may not make or hold a loan under this part as trustee for an institution of higher education, or for an organization affiliated with an institution of higher education, unless—

''(A) the eligible lender is serving as trustee for that institution or organization as of the date of enactment of the Third Higher Education Extension Act of 2006 under a contract that was originally entered into before the date of enactment of such Act and that continues in effect or is renewed after such date; and

''(B) the institution or organization, and the eligible lender, with respect to its duties as trustee, each comply on and after January 1, 2007, with the requirements of paragraph (2), except that—

''(i) the requirements of clauses (i), (ii), (vi), and (viii) of paragraph (2)(A) shall, subject to clause (ii) of this subparagraph, only apply to the institution (including both an institution for which the lender serves as trustee and an institution affiliated with an organization for which the lender serves as trustee);

''(ii) in the case of an organization affiliated with an institution—

''(I) the requirements of clauses (iii) and (v) of paragraph (2)(A) shall apply to the organization; and

''(II) the requirements of clause (viii) of paragraph (2)(A) shall apply to the institution or the organization (or both), if the institution or organization receives (directly